



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES AGREEMENT IN KCPL DECOMMISSIONING CASE..... CUSTOMER RATES TO REMAIN THE SAME

Jefferson City (January 3, 2003)--The Missouri Public Service Commission has approved an agreement reached by Kansas City Power & Light Company (KCPL), the Office of the Public Counsel and the Staff of the Missouri Public Service Commission which addresses KCPL's decommissioning cost estimate and funding level of its nuclear decommissioning trust fund.

As part of a 1986 Public Service Commission rate case decision dealing with the costs of KCPL's Wolf Creek nuclear power plant, the Commission ordered KCPL to establish an external fund for the decommissioning money collected (in customer rates) over the life of the plant. The external fund is administered through a trustee. The funds accumulated in the trust are invested by the trustee and are unavailable for company use until the plant is decommissioned.

Missouri Public Service Commission rules and regulations require review of the trust fund accruals every three years. These reviews are designed to ensure adequate funding for decommissioning of the power plant. KCPL filed an application with the Commission on August 30, 2002, in compliance with Commission rules and regulations.

KCPL stated in its application that the current contribution of approximately \$2.3 million is adequate to meet the cost of decommissioning the Wolf Creek nuclear power plant (KCPL owns 47% of the Wolf Creek nuclear power plant). KCPL recommended that the current annual contribution amount not be changed at this time. KCPL's cost estimate to decommission the Wolf Creek nuclear power plant is \$468 million in **2002** dollars. **In the filed stipulation and agreement, all parties agreed the current contribution is adequate and therefore current rates should not change.**

The Commission approved the agreement stating in its order: "The Commission has considered the verified application and its attendant studies and analyses, the unanimous stipulation and agreement, and the Staff (PSC Staff) Recommendation. The Commission finds that KCPL's currently effective rates include an annual amount of \$2,303,586 for decommissioning expense. The Commission also finds that KCPL's 2002 Cost Study meets the requirements of 4 CSR 240-20.070(9)."

KCPL serves approximately 262,000 electric customers in western Missouri.

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